

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF FOX CREEK)
RURAL ELECTRIC COOPERATIVE CORPORATION))
FOR AN ORDER AUTHORIZING A PASS-) CASE NO. 8695
THROUGH OF EAST KENTUCKY POWER WHOLE-)
SALE POWER RATE INCREASE IN)
CASE NO. 8648)

O R D E R

Fox Creek Rural Electric Cooperative Corporation ("Applicant") filed its application to flow through any increase in rates granted its wholesale power supplier, East Kentucky Power Cooperative, Inc., ("East Kentucky") in Case No. 8648. Applicant is one of 18 member distribution cooperatives of East Kentucky. In Case No. 8648, East Kentucky requested an increase in revenue of approximately \$31,176,207. Of this total increase, Applicant would experience an increase in power costs of approximately \$704,884, which represents 2.26 percent of the proposed East Kentucky increase and would result in an overall increase to Applicant's consumers of approximately 13.9 percent.

On November 12, 1982, the 18 distribution cooperatives of East Kentucky filed a motion requesting that they be permitted to deviate from the Commission's rules regarding tariffs and to flow through the increase by use of a proposed procedure for pass-through of the wholesale rate increase ("proposed procedure"). In its Order of November 19, 1982, the Commission

authorized Applicant to deviate from the rules on tariffs and approved the utilization of the proposed procedure.

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

(1) The actual increase allowed East Kentucky in Case No. 8648 is \$18,849,182 which will result in an increase in power costs to Applicant of \$426,180.

(2) Applicant's financial condition would be materially impaired if it were not allowed to recover the increased wholesale power costs allowed in Case No. 8648.

(3) The revised rates and charges in Appendix A are designed to reflect only the increased power costs from East Kentucky allowed in the final Order in Case No. 8648.

(4) The flow-through of the wholesale power costs will not result in any additional net margin to Applicant.


IT IS THEREFORE ORDERED that Fox Creek Rural Electric Cooperative Corporation be and it hereby is authorized to flow through the increased power costs resulting from the rate increase granted its wholesale power supplier, East Kentucky Power Cooperative, Inc., in Case No. 8648.

IT IS FURTHER ORDERED that the rates in Appendix A shall be placed into effect on the effective date of the East Kentucky wholesale power increase.

IT IS FURTHER ORDERED that Fox Creek Rural Electric Cooperative Corporation shall, within 20 days from the date of this Order, file its revised tariff sheets setting out the rates and charges approved herein.

Done at Frankfort, Kentucky, this 1st day of April, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 8695 DATED APRIL 1, 1983

The following rates and charges are prescribed for the customers in the area served by Fox Creek Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

SCHEDULE R
RESIDENTIAL SERVICE*

Rate

Minimum Bill	30 KWH Per Month	\$ 5.63	Per KWH
Next	50 KWH Per Month	.12443	Per KWH
Next	420 KWH Per Month	.06813	Per KWH
All Over	500 KWH Per Month	.06253	Per KWH

Monthly Minimum

The minimum monthly charge under the above rate shall be \$.90 per kVA of transformer capacity but in no case less than \$ 5.63

SCHEDULE C
COMMERCIAL AND SMALL POWER*

Rate

First	10 KW of Billing Demand	No Charge	
Over	10 KW of Billing Demand	\$ 3.18	Per KW
Minimum Bill	30 KWH Per Month	\$ 5.63	
Next	50 KWH Per Month	.12474	Per KWH
Next	20 KWH Per Month	.06844	Per KWH
Next	900 KWH Per Month	.08244	Per KWH
Next	2,000 KWH Per Month	.07544	Per KWH
Over	3,000 KWH Per Month	.06564	Per KWH

Monthly Minimum

The minimum monthly charge under the above rate shall be \$.90 per kVA of transformer capacity but in no case less than \$ 5.63.

SCHEDULE L
LARGE POWER SERVICE (50 to 200 KW)*

Rate

Demand Charge		\$ 3.18		Per KW of Billing Demand
First	50 KWH Per KW of Billing Demand		\$.07192	Per KWH
Next	100 KWH Per KW of Billing Demand		.06792	Per KWH
Over	150 KWH Per KW of Billing Demand		.05802	Per KWH

SCHEDULE A
RURAL LIGHTING AND COMMUNITY STREET LIGHTING

Service for the above unit shall be unmetered and billed on the members monthly bill for other electrical service furnished by the Cooperative at the rate of \$5.23 each and every month.

*Fuel Adjustment Charge

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.